

## **THE COMPLAINT**

Mr B holds/held an account with Revolut Ltd (“Revolut”).

Mr B’s complaint is about Revolut’s refusal to reimburse him money he says he lost due to a scam.

Mr B is represented by CEL Solicitors (“CEL”) in this matter. However, where appropriate, I will refer to Mr B solely in this decision for ease of reading.

## **WHAT HAPPENED**

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview.

Mr B says he has fallen victim to an investment scam. He says fraudsters deceived him into making payments to what he thought was a legitimate investment. The Revolut payments in question were all fund transfers:

- Payment 1 – 1,721.39 EUR to Vestfi SRL (21 December 2023)
- Payment 2 – 15,995 EUR to Vestfi GmbH (8 January 2024)

Mr B disputed the above with Revolut. When Revolut refused to reimburse Mr B, he raised a complaint, which he also referred to our service.

One of our investigators considered the complaint and did not uphold it. In summary, the investigator thought Revolut had done enough in its interventions to protect Mr B from financial harm. CEL, on behalf Mr B, rejected the investigator’s findings stating, in short, Revolut could have done more during its interventions.

As the investigator’s findings were not accepted, this matter has been passed to me to make a decision.

## **WHAT I HAVE DECIDED – AND WHY**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

Having done so, I find that the investigator at first instance was right to reach the conclusion they did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Further, under section 225 of the Financial Services and Markets Act 2000, I am required to resolve complaints quickly and with minimum formality.

## **Regulatory framework**

The regulations which apply in this matter are the Payment Services Regulations 2017 (“the PSRs”).

### **Should Revolut have recognised that Mr B was at risk of financial harm from fraud?**

It is not in dispute that Mr B authorised the payment transactions in this matter. Generally, consumers are liable for payment transactions they have authorised. However, that is not the end of the story. This is because even if a payment is authorised, there are regulatory requirements and good industry practice which suggest firms – such as Revolut – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payment transactions do arise, firms should intervene before processing them. That said, firms need to strike a balance between intervening in a customer’s payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer’s legitimate transactions.

I have borne the above in mind when considering the payment transactions in this matter.

## **Payments 1 and 2**

Both transactions triggered Revolut’s systems prompting it to intervene to try to protect Mr B from financial harm.

### **Were Revolut’s interventions proportionate?**

Payments 1 and 2 both triggered the following from Revolut:

- Revolut provided Mr B with a new beneficiary warning.
- Revolut provided the warning: *“Something doesn’t look right – Your transaction has been flagged as a potential scam. To continue, we need to ask you some questions.”*
- Mr B selected, ‘something else’ as a payment purpose rather than ‘As part of an investment’.
- Revolut provided Mr B with a questionnaire. Here is how he answered:
  - He understood a fraudster may ask him to hide the real reason for his payment.
  - He was not being assisted through Revolut’s questionnaire.
  - He chose the payment purpose ‘something else’ himself.
  - He was not asked to install any software such as AnyDesk
  - He was not told by anyone to ignore Revolut’s warnings
- Revolut provided Mr B with tailored warnings – in particular: *“Don’t give anyone remote access – Scammers may ask you to install software to view your screen. Uninstall software that gives someone else control.”*
- Revolut provided Mr B with a risk agreement, which he confirmed: *“Revolut has*

*warned me that this payment is suspicious and I understand the risk of losing my money.”*

I think the above was proportionate to the risk identified regarding Payment 1 – even when considering the transaction occurred post the Financial Conduct Authority’s (FCA’s) Consumer Duty. I say this primarily given the value of the transaction and the fact Mr B’s Revolut account had limited activity to measure against.

In addition to the above, Payment 2 also triggered an in-app chat. In that chat, Mr B confirmed, amongst other things, the following to Revolut:

- Payment 1 was for ‘marketing services’, which he could not select as a payment purpose (above) as it was not an option.
  - Revolut provided warnings tailored to this payment purpose.
- He had not been guided in any way to make Payment 1.
- He opened his Revolut account due to, *“Lower fees for exchanging currency than my usual Bank.”*

I do not find that Mr B was forthcoming during the above intervention. To my mind, Mr B provided Revolut with misleading answers.

For example, Mr B did not reveal that he had been *“forced”* to open a Revolut account, nor the true nature of Payment 2. This transaction was for an investment – not ‘marketing services’. Mr B did not mention that there was third-party involvement and that he had installed AnyDesk. I acknowledge that Mr B says he was *“coached”* by the fraudsters on what to say during an intervention. However, whilst that might be the case, I cannot ignore the fact that Mr B’s responses to Revolut’s questions – automated and in-app – seriously frustrated its attempts to try to protect him from financial harm – thereby alleviating any concerns Revolut had. I find that Revolut’s questioning and warnings during the intervention were proportionate to the information Mr B provided – even when considering Payment 2 was made post the FCA’s Consumer Duty.

Even if it could be argued that Revolut should have gone further in its intervention, I am not persuaded that this would have made a difference.

### **Recovery of funds**

I have considered whether Revolut acted appropriately to try to recover Mr B’s funds once the fraud was reported.

I can see that Revolut attempted recovery but was unsuccessful.

Further or alternatively, the likelihood that even if prompt action had been taken by Revolut on or immediately after the fraud was reported, any of Mr B’s money would have been successfully reclaimed seems slim. I say this because of the time that had elapsed between Mr B’s last payment (8 January 2024) and when Mr B reported the scam (early February 2024). In these types of scams, fraudsters tend to withdraw/transfer out their ill-gotten gains immediately to prevent recovery.

So, I am satisfied that it is unlikely Revolut could have done anything to recover Mr B’s funds.

### **Vulnerabilities**

CEL submit that Mr B was vulnerable at the time of the scam due to sensitive issues relating to his granddaughter.

I have not seen anything to suggest that Revolut knew or ought to have known about Mr B's personal issues at the time. Further or alternatively, whilst Mr B has my sympathies, I am not persuaded his circumstances at the time would have amounted to him being considered as vulnerable.

Therefore, I do not find that Revolut should have dealt with Mr B's payments any differently in this regard.

### **Compensation for distress and/or inconvenience**

I have considered whether an award for distress and/or inconvenience is warranted in this matter. Having done so, I am not persuaded that it is. I have not found any errors in Revolut's investigation. Any distress and/or inconvenience Mr B has suffered is a result of the fraudsters' actions – not Revolut's.

### **Conclusion**

Taking all the above points together, I do not find that Revolut has done anything wrong in the circumstances of this complaint. Therefore, I will not be directing Revolut to do anything further.

In my judgment, this is a fair and reasonable outcome in the circumstances of this complaint.

### **MY FINAL DECISION**

For the reasons set out above, my final decision is that I do not uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 30 June 2025.

Tony Massiah  
**Ombudsman**